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Professional Builder & Remodeler

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SPECIAL ISSUE:
PB&R's 19th New Home Consumer Survey

How To Meet Buyer Demand In 1993... 12

Industry Pros Use Survey To Create Model Home Packages... 40

Product Showcase: Selling Quality & Excitement... 111

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Turn This Issue Over For Remodeling Ideas

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Director of Editorial Roy Diez offers a quick overview of what's in this exciting, special issue.

PB&R's New Home Survey: How To Meet Buyer Demand 12

In today's competitive marketplace, builders would do well to find out what consumers want. Our latest annual Consumer Survey provides loads of information about why people move, what they seek from a new home, and how they intend to finance it.

Industry Pros Create Consumer Targeted Model Home Packages 40

To help bring the findings of our annual New Home Consumer survey to life, we assembled four teams of industry pros to develop model home packages. You'll find a wealth of design ideas, site-plan solutions and selling concepts.

Product Showcase 111

Here are a variety of recently introduced products in categories ranging from structural materials to modern luxury amenities.

Reader Service Card 119

To get information from all the manufacturers represented in this issue, please use this handy response card.

What consumers want in housing: p. 12.

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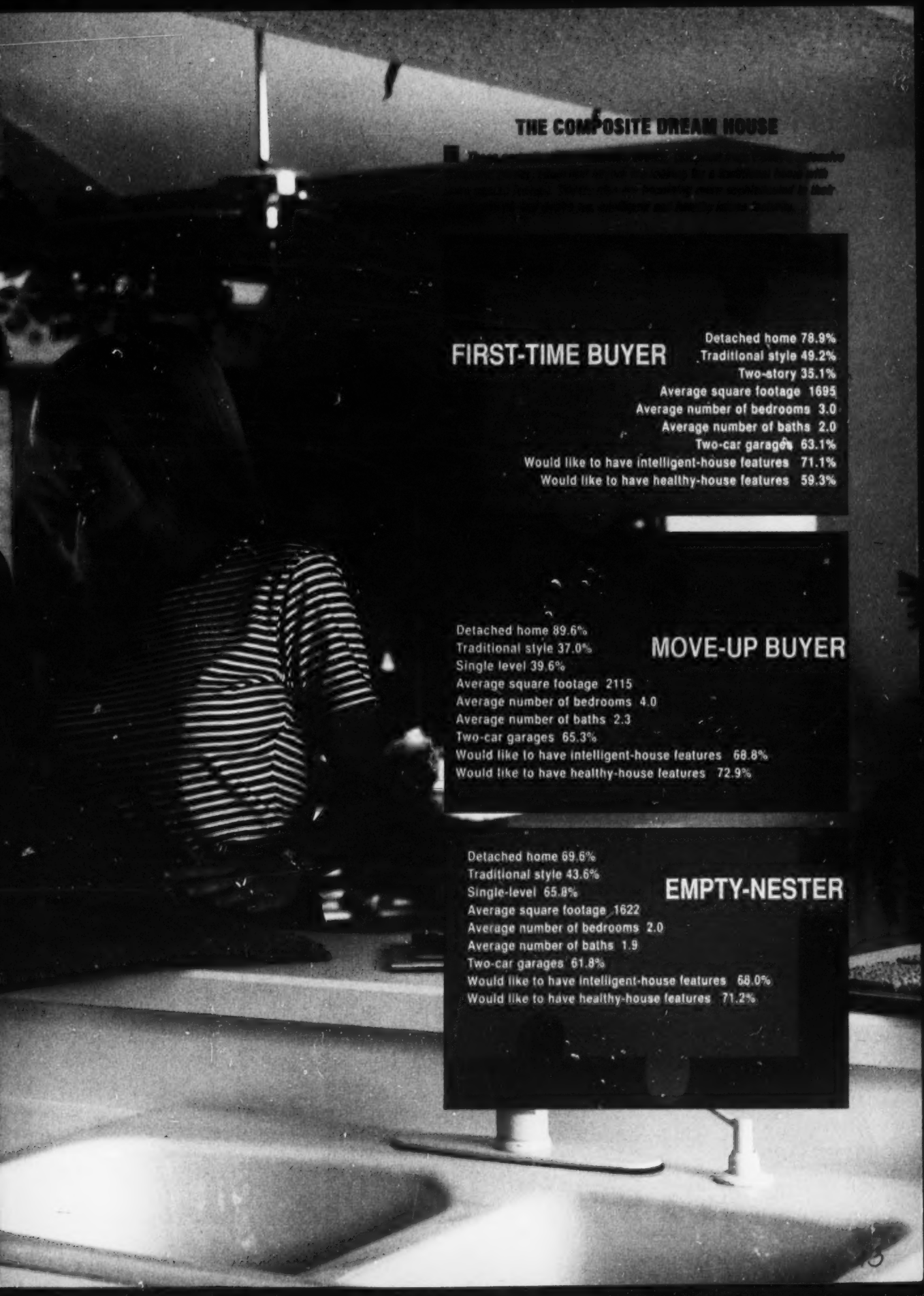
PB&R's New Home Survey

How To Meet Buyer Demand

In today's competitive marketplace, builders would do well to find out what consumers want. *PB&R*'s latest annual Consumer Survey provides loads of information about why people move, what they seek from a new home, and how they intend to finance their purchase. Pay attention. You might be surprised to find that what you offer in your new homes doesn't quite jibe with what buyers want.

By Andrea LaFreniere, Associate Editor


THE COMPOSITE DREAM HOUSE
FIRST-TIME BUYER
Detached home 78.9%
Traditional style 49.2%
Two-story 35.1%
Average square footage 1695
Average number of bedrooms 3.0
Average number of baths 2.0
Two-car garages 63.1%
Would like to have intelligent-house features 71.1%
Would like to have healthy-house features 59.3%
MOVE-UP BUYER
Detached home 89.6%
Traditional style 37.0%
Single level 39.6%
Average square footage 2115
Average number of bedrooms 4.0
Average number of baths 2.3
Two-car garages 65.3%
Would like to have intelligent-house features 68.8%
Would like to have healthy-house features 72.9%
EMPTY-NESTER
Detached home 69.6%
Traditional style 43.6%
Single-level 65.8%
Average square footage 1622
Average number of bedrooms 2.0
Average number of baths 1.9
Two-car garages 61.8%
Would like to have intelligent-house features 68.0%
Would like to have healthy-house features 71.2%

CONSUMERS WEIGH THE COSTS

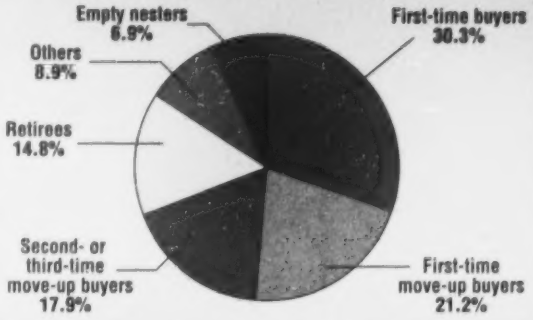
For most people, a new home represents increased privacy and security, a higher standard of living and a place to raise a family. But today's buyers aren't willing to shell out every last dollar to achieve those ends.

Thus, although consumers rate properties by the value, neighborhood and security they offer, price and affordability reign as the top factors in the selection of a new home.

Lower interest rates and the advantage of applying monthly payments to property owned, rather than rented, provide the financial motivation for consumers to buy a new home. The average downpayment consumers intend to make is $30,572, while the average monthly payment they can afford is $857.

WHO IS BUYING A HOME NOW?

First-time buyers make up the biggest slice of the buying pie, followed by first-, second-, and third-time move-up buyers.



WHY CONSUMERS WANT TO BUY

Most consumers buy homes to gain features that their rental apartments lack.

Reasons	
Obtain privacy/security	58.2%
Complete present lifestyle	45.4%
Essential to raising a family	36.8%
Avoid dealing with landlord	19.7%
Establish roots in community	18.7%
Attain prestige of owning home	12.4%

WHAT FINANCIAL FACTORS MOTIVATE CONSUMERS?

For the most part, there are seven financial reasons that prompt consumers to buy a new home.

Financial Factors	
Applying payments to property owned, not rented	56.3%
Lower interest rates	52.9%
Achieving a tax shelter	30.4%
Building equity	27.2%
Lower home prices	23.3%
Saved enough for downpayment	20.9%
Avoiding higher prices	17.3%

WHAT PRICE CONSUMERS WILL PAY

HOW CONSUMERS RATE PROPERTIES

New Home Attributes	All Consumers
Value	60.7%
Neighborhood	53.7%
Security	52.6%
Quality	48.3%
Low maintenance	42.4%

WHAT DETERMINES HOME SELECTION

Price/affordability and size are foremost when buyers make their final home selection.

Top 10 Factors In Home Selection	
Price/affordability	58.1%
Size	53.2%
Style and appearance	36.7%
Investment/appreciation	30.8%
Size of yard/lot	30.8%
Quality of schools	24.4%
Close to work	24.2%
Builder's reputation	14.2%
Warranties	13.2%
Prestigious location	8.9%

HOW CONSUMERS RATE FINANCIALLY

Household income determines how much home buyers can afford.

	Income			
	Under $20k	$20k to $34k	$35k to $49k	$50k And Over
Average price of home you'd consider	$85,385	$90,272	$112,089	$171,134
Average downpayment you could afford	$18,110	$19,655	$24,512	$44,123
Maximum monthly payment you could afford	$459	$639	$805	$1132
Average number of years you've owned present home	13	9	8	8
Average price paid for present home	$36,333	$54,129	$64,496	$105,113
Average price you'd expect to get for present home	$70,081	$86,779	$92,244	$158,548
Average number of household wage earners	1	1	2	2

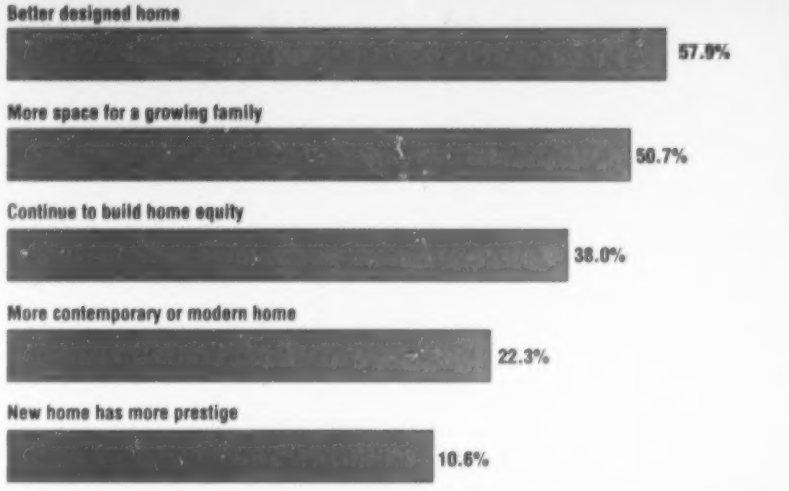
Consumers in the Pacific region expect to pay the most for a new home ($177,857), followed by residents of New England ($148,914), and the Middle Atlantic states ($138,911). Buyers in the Northern and Southern Plains expect to pay the least—an average price of $93,447 and $97,249, respectively, while residents of the Mid-South region expect to pay $99,026. Buyers in the Mountain region will pay a bit more—an average of $104,856, while Great Lakes buyers will spend $111,543. Residents of the South Atlantic states will spend an average of $122,772. □

NEW HOME CONSUMERS

In choosing to buy or not to buy, consumers examine not only their present living arrangements, cash flow and cash reserves, but also current interest rates and the economy.

WHY CONSUMERS MOVE UP

The desire for a more spacious, better-designed home prompts consumers to move to a larger home.



WHY CONSUMERS DELAY HOME PURCHASE

Reasons For Delay	
Need to save for downpayment	50.0%
Waiting for salary increase	25.7%
Waiting for drop in interest rates	24.8%
Waiting for drop in mortgage rates	23.8%
Want to find affordable monthly payments	20.3%

WHY SOME CONSUMERS NEVER PURCHASE

Reasons For Never Owning	
Lack money for downpayment	65.4%
Fearful of changing economy	25.4%
Can't make required monthly payments	22.8%
No need or desire to buy	20.2%
Too much responsibility involved	9.2%

HOW FAR WILL BUYERS COMMUTE

NO MORE THAN 31 MINUTES

WHAT DRIVES THE FINAL BUYING DECISION?

Final Factors	
Price of house	56.6%
Monthly payment	35.1%
Mortgage interest rate	13.1%
Downpayment	7.5%

WHY SOME CONSUMERS LIKE TO RENT

Top Advantages To Renting	
Less maintenance	57.2%
Less financial responsibility	38.7%
Enjoy not being tied down	28.9%
Cheaper than owning	24.2%
Easier to move	21.6%

CONSUMERS WANT TRADITIONAL HOMES

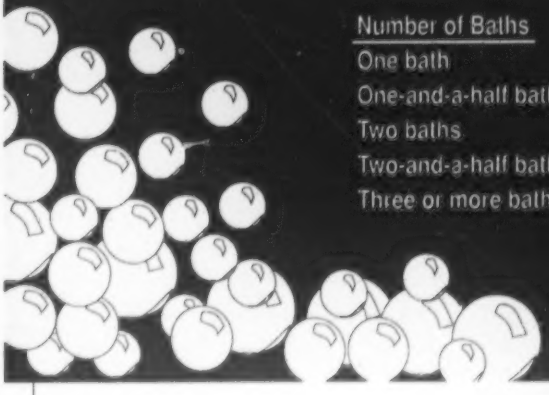
A detached, traditional-style home with three bedrooms and two baths is still the favorite among consumers nationwide.

Most buyers prefer a brick or masonry house with an average 1920 square feet of living space. Consumers who intend to pay less than $100,000 for their new home, however, expect no more than

HOW MANY SQUARE FEET CONSUMERS WANT

Home Price Range	Consumers Expect
Less than $85,000	1557 sq. ft.
$85,000 to $99,999	1828 sq. ft.
$100,000 to $149,999	1977 sq. ft.
$150,000 to $199,999	2222 sq. ft.
$200,000 to $300,000	2580 sq. ft.
More than $300,000	2817 sq. ft.

HOW MANY BATHS TO INCLUDE



Number of Baths	All Consumers
One bath	2.3%
One-and-a-half baths	12.5%
Two baths	41.4%
Two-and-a-half baths	31.6%
Three or more baths	12.2%

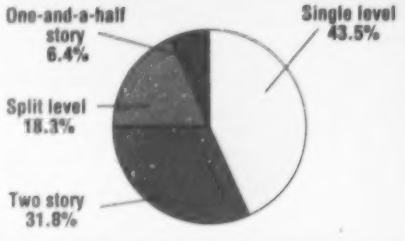
WHAT TYPE HOME CONSUMERS WANT

Having a detached home is still the American dream. But there is a market for attached product and specialty homes.

House Type	
Detached home	81.1%
Townhome	4.5%
Condominium	3.4%
Specialty home (log, dome, cedar, etc.)	3.3%
Mobile home	3.2%
Duplex	2.3%
Modular, panelized or precut home	2.2%

HOW MANY STORIES

Most consumers say they prefer a single-story home, but nearly a third wants a two-story house.



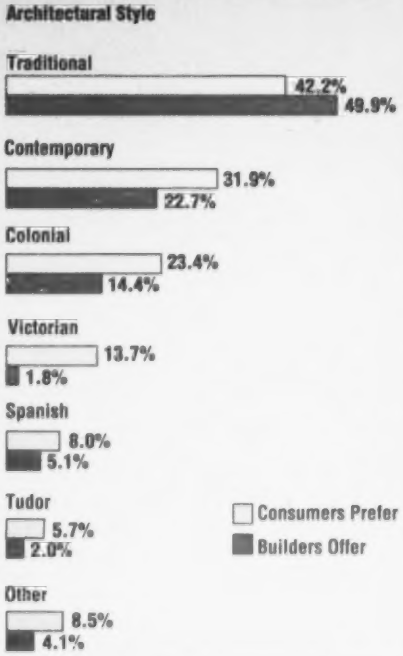
HOW MANY BEDROOMS TO PROVIDE

AVERAGE: THREE BEDROOMS

More than half of new home buyers wants a new home with at least three bedrooms.

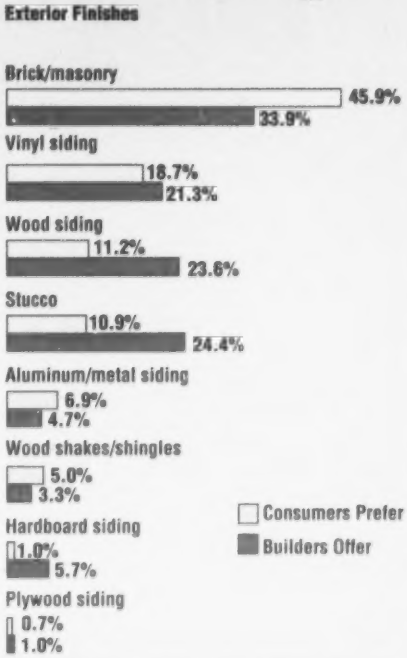
WHAT STYLE ARCHITECTURE TO OFFER

While the majority of consumers prefers traditional-style homes, buyers in the Pacific states like contemporary-style homes best. Colonial and traditional styling are equally popular among buyers in the Middle-Atlantic states.



WHAT TYPE EXTERIOR FINISH IS BEST?

A brick house is by far the favorite of the nation's consumers. Residents of New England prefer wood shakes, while buyers from the Northern Plains states request vinyl siding.



WHAT CONSUMERS SEEK IN ATTACHED HOMES

Privacy at the rear of a unit, energy-saving features and a sense of neighborhood are requested by buyers of attached homes.

Top 5 Features Of Attached Housing	
Privacy at rear of unit	34.3%
Energy-saving features	23.6%
Sense of neighborhood	23.3%
Sound control to exclude noise	21.9%
Located in planned community	17.0%

1800 square feet of living space. Buyers in the higher price ranges expect between 2200 and 2800 square feet of living space.

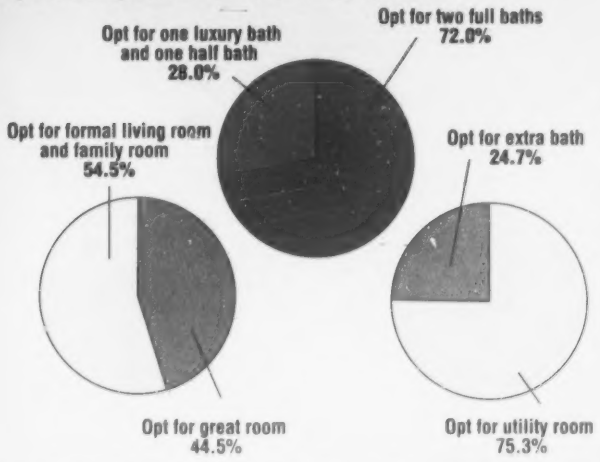
Although most consumers (44%) want a single-level home, nearly a third prefers a two-story model. Only 18% would choose a split level. The most popular home among first-time buyers is a two story, while move-up buyers prefer either a two-story or a single-level home. Empty nesters and retirees overwhelmingly favor a single-level home.

Most consumers say they might consider an attached home if it offered privacy at the rear of the unit, had energy-saving features and provided a sense of neighborhood. □

Consumers have definite ideas about what items builders should include in the purchase price of a new home.

WHAT CONSUMERS WOULD CHOOSE, IF GIVEN THE OPTION

Where square footage is limited, buyers must choose what rooms or spaces are important to them. Here are their choices.



WHAT KITCHEN ITEMS SHOULD BE STANDARD?

For the most part, builders and consumers agree on what features should be standard in the kitchen. Bulleted items below indicate at least a 15 percentage point difference in opinion.

Kitchen Features	Consumers Want	Builders Offer
Carpeted floor	8.1%	7.5%
Ceramic tile countertop	30.4%	24.8%
Ceramic tile floor	20.4%	27.7%
Ceramic tile walls	9.9%	7.3%
Dishwasher	82.5%	95.2%
Enamel/porcelain sink	28.7%	40.8%
Fluorescent lighting	51.2%	42.8%
Garbage disposal	65.0%	79.8%
*Laminate countertop	45.8%	65.1%
*Microwave oven	42.9%	58.4%
Pantry	65.9%	66.3%
Range/oven	91.6%	88.3%
*Refrigerator	63.5%	44.2%
Self-cleaning oven	68.0%	68.7%
*Single-handle faucet	59.4%	84.0%
Stainless-steel sink	63.1%	55.2%
Trash compactor	15.5%	17.4%
*Two-handle faucet	28.7%	8.7%
Two sinks	52.7%	38.8%
Vinyl floor	71.3%	65.3%

HOW MANY WANT FIRST-FLOOR MASTER SUITE

More than 60% of all buyer groups wants the master suite located on the first floor.

WHAT BATH ITEMS SHOULD BE STANDARD?

In some cases, builders and consumers disagree on what items should be standard for a bath. Bulleted items below indicate at least a 15 percentage point difference in opinion.

Bath Features	Consumers Want	Builders Offer
Bathroom heater	35.6%	23.0%
Bidet	3.1%	5.4%
Ceramic tile floor	47.8%	50.4%
Ceramic tile walls	43.9%	34.3%
Ceramic tile vanities	17.3%	18.1%
*Colored fixtures	24.0%	43.8%
Compartmentalized bath	17.2%	16.5%
Dressing area	19.3%	33.9%
Exhaust fan	85.6%	91.5%
*Linen storage cabinets	78.3%	60.5%
*Medicine cabinet	86.1%	59.3%
Mirrored walls	22.5%	27.4%
*Safety features	39.2%	17.5%
Sauna	2.6%	2.0%
Skylight	19.8%	28.4%
Tub/shower door	67.1%	64.1%
*Whirlpool	12.0%	39.5%
White fixtures	36.5%	48.8%
Vanity with one bowl	51.0%	39.5%
*Vanity with two bowls	38.3%	58.3%

WHAT DESIGN ELEMENTS TO INCLUDE

Space for storage ranks as the most desirable element in a new home, be it in the form of a linen closet, a garage or a pantry. Bulleted items indicate at least a 15 percentage point in opinion.

Essential Design Elements	Consumers Want	Builders Offer As Standard
Built-in furniture	32.6%	18.5%
*Cathedral ceilings	43.3%	65.7%
*Combination office/hobby room	44.3%	28.3%
Covered entries	66.0%	56.7%
Dramatic window treatments	25.9%	17.6%
*Entertainment center	28.3%	12.6%
*Fitness center	17.2%	2.0%
Full-time home office	29.2%	NA
Garden bath	16.5%	7.0%
In-law suite	16.9%	NA
Interior lofts, balconies	19.6%	27.0%
Linen closet	84.3%	NA
Multipurpose rooms	60.4%	NA
Oversized master bath	46.1%	NA
Pantry	73.5%	NA
Patio	72.5%	67.0%
Plant shelves, niches	20.9%	NA
Porch	69.6%	62.8%
Raised, flat ceilings	37.8%	45.0%
Space for family entertainment	70.1%	NA
Space for formal entertaining	34.4%	NA
Storage space in garage	80.7%	NA
*Sun room	32.3%	9.8%
Two closets in master suite	63.6%	NA

WHAT TO INCLUDE IN MASTER SUITE

Master-Suite Essentials	All Consumers
Walk-in closet	82.7%
Private bath	77.1%
Separation from other bedrooms	57.5%
Dressing/make-up area	30.0%
Balcony or patio	18.2%
Mirrored doors	17.9%
Sitting area	14.1%
Fireplace	9.9%

HOW TO MERCHANDISE SECONDARY BEDROOMS

Buyers can think of many uses for extra bedrooms. Here's a list of their favorites.

Top 5 Uses For An Extra Bedroom	
Guest bedroom	71.6%
Den/library/office	61.3%
Hobby/sewing room	36.4%
Computer room	24.1%
Exercise room	17.0%

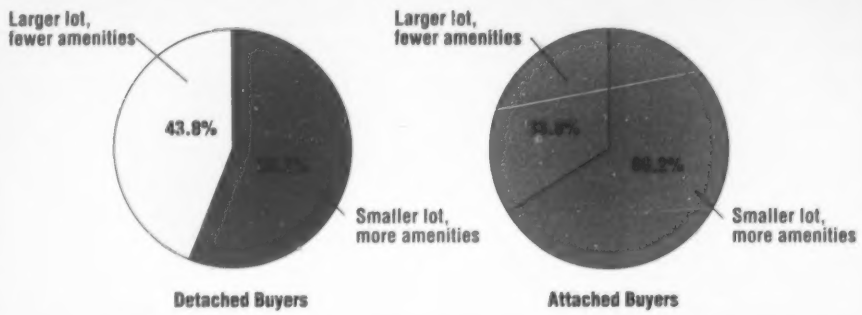
Consumer preferences range from lot size and number of amenities to type of basement and size of garage.

WHAT TYPE GARAGE TO PROVIDE

Type Of Garage	Buyers Of Detached	Buyers Of Attached
One-car garage	8.5%	12.3%
One-and-a-half-car-garage	4.5%	9.7%
Two-car-garage	68.5%	40.0%
Three-or-more-car garage	12.9%	7.1%

DO BUYERS PREFER AMENITIES OVER LAND?

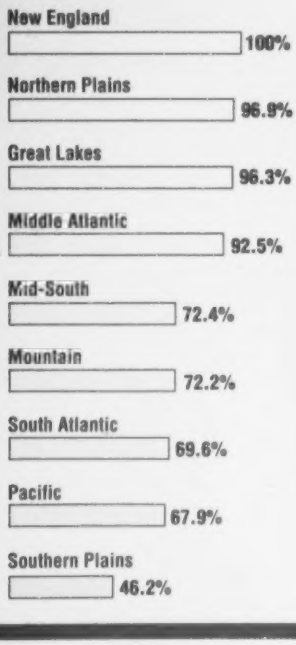
If asked to make a trade-off, most consumers say they would accept a smaller lot if their new home had more amenities.

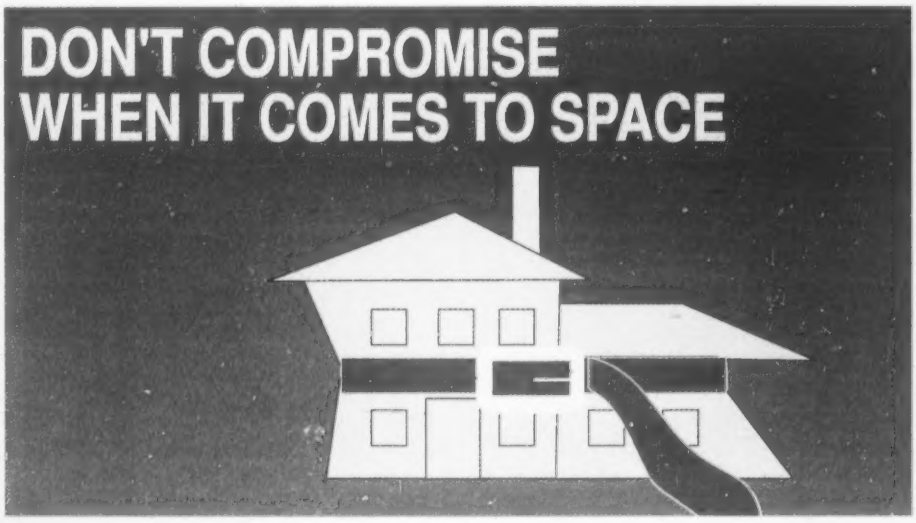


HOW CONSUMERS RATE FULL BASEMENT OPTION

Full basements are becoming a priority in many regions. Buyers in New England accept nothing less.

Consumers Who Want Full Basement





Nearly two-thirds of buyers prefer a larger home with fewer amenities to a smaller home with more amenities.

Not everybody wants a whirlpool, French doors or a ceramic-tile entry, but many buyers would be willing to pay extra for a screened porch, upgraded carpeting, a swimming pool, laundry appliances, a rec room and a lawn-sprinkling system.

WHAT BUYERS WILL SPEND ON OPTIONS

Many builders have gained a competitive edge by offering, as standard, features that consumers will find particularly desirable. The following list shows which options buyers want and which ones builders include in the selling price.

	Customers Who Want	Builders Who Offer As Standard
$12,000 to $20,000 options		
Recreation room in basement	53.7%	9.3%
Swimming pool	53.7%	3.3%
$6000 to $12000 options		
Complete landscaping	56.1%	57.7%
Screened porch or Florida room	57.9%	10.0%
$3000 to $6000 options		
Additional powder room	16.7%	25.7%
Fireplace	79.5%	67.6%
Hot tub	33.1%	2.5%
$1600 to $2000 options		
Air conditioning	77.4%	68.5%
Bay window	33.1%	31.3%
Bidet	3.7%	4.4%
French doors	25.7%	39.0%
Front-yard landscaping	30.4%	56.2%
Insulated basement walls	26.3%	33.4%
Sauna	7.3%	1.2%
Security system	36.0%	20.1%
Storm windows	53.4%	19.7%
Whirlpool bath	24.3%	34.2%
$1200 to $1500 options		
Hardwood floors	49.0%	27.8%
Kitchen barbecue grill/top	15.7%	14.9%
Solar water heating	27.1%	0.2%
Tub and separate shower	43.3%	54.4%
Yard fencing	48.4%	14.5%
$1000 to $1200 options		
Central vacuum system	29.3%	14.7%
European-style cabinets	10.5%	15.8%
Laundry appliances	60.3%	13.7%
Wet bar	17.1%	17.0%
Zoned heating/cooling system	62.9%	51.7%
$800 to $1000 options		
Closet shelf system	38.5%	49.8%
Double-glazed windows	49.2%	82.0%
Intercom system	16.1%	12.2%
Patio roof	27.6%	12.9%
Water softener	26.1%	6.4%
Upgraded carpeting	58.2%	26.3%
$500 to $800 options		
Concrete patio	27.3%	46.9%
Extra large tub	27.6%	36.9%
Patio decking	39.9%	47.3%
Paved driveway	69.6%	74.9%
Refrigerator	54.5%	33.6%
Skylights	38.2%	42.1%
$300 to $500 options		
Automatic humidifier	24.9%	8.5%
Built-in cabinets (not kitchen)	31.3%	15.8%
Ceramic tile entry	30.6%	50.8%
Ceramic tile walls in bath	35.8%	33.2%
Electronic air filter	22.2%	9.3%
Garage door opener	56.2%	56.2%
Greenhouse window	23.3%	7.7%
Lawn-sprinkling system	39.7%	19.1%
Microwave oven	36.2%	50.4%
Oversized tub	30.3%	36.9%
Patio privacy fence	22.5%	9.3%
Power attic ventilator	33.7%	15.4%
Storm door	39.2%	14.7%
Wood sliding/patio door	24.0%	77.4%
$100 to $300 options		
Built-in antenna/wall jacks	48.7%	70.5%
Ceiling fan	60.3%	53.3%
Clock-controlled thermostat	30.9%	24.7%
Closet organizers	31.2%	49.8%
Decorative exterior door	26.3%	61.6%
Dimmer switches	31.0%	38.4%
Energy-saving water heater	67.4%	72.0%
Exterior shutters	18.2%	45.4%
Gas outlet at fireplace	24.5%	31.3%
Interior shutters	7.4%	1.7%
Mirrored doors	15.3%	NA
Outdoor lighting	45.4%	46.3%
Patio grill	19.9%	1.7%
Self-cleaning oven	56.1%	71.4%
Separate cooktop	16.6%	NA
Shower enclosure	32.6%	61.2%
Smoke/fire alarm system	65.4%	84.0%
Sump pump	18.0%	24.7%
Trash compactor	19.4%	15.8%
Water-saving faucet	37.3%	56.6%
Water-saving shower heads	41.9%	63.5%

WANT MORE INFORMATION?

For a full report of what consumers say they are looking for in new homes, and what builders say they offer, send for the complete consumer and builder surveys. Compiled by the independent research firm, National Family Opinion Inc., the consumer data is the result of a survey of 822 households. The builder results emerge from a survey of 498 builders.

The studies may be purchased together for $450 or separately for $320 each. Send check or money order to: *Professional Builder & Remodeler*, P.O. Box 5080, Des Plaines, Ill. 60017-5080.

BUYERS WILL PAY FOR SPECIAL FEATURES

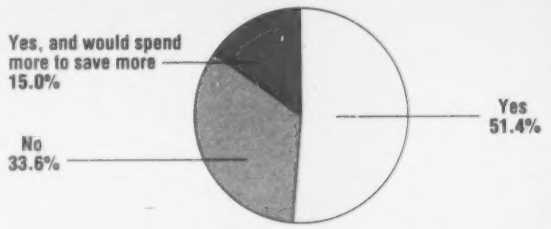
Research shows that buyers are concerned with the way their new homes will "live." Consumers take an interest in the latest technologies and features that will save them time, energy and expense.

For example, half of buyers say they would pay $3000 upfront for additional low-maintenance materials that would save $500 a year on maintenance costs. Buyers with annual incomes totaling more than $20,000 are most likely to spend the extra money.

Nearly 60% of consumers say they would spend an extra $1500 for added energy-efficient products in their new home that would save them $250 per year on heating and cooling costs. This percentage

WILL BUYERS PAY EXTRA TO SAVE ON MAINTENANCE?

Would you spend an extra $3000 on low-maintenance materials to save $500 per year on maintenance?



HOW IMPORTANT IS A HEALTHY HOUSE?

The public's concern about air quality is reflected in a growing desire for healthy homes. In this year's survey, 66.7% say they would like to have healthy-house features like a whole-house ventilation system, a dry basement, vented appliances, humidity control, a filtration system and radon mitigation.

Average Price Consumers Will Pay For Healthy-House Features:

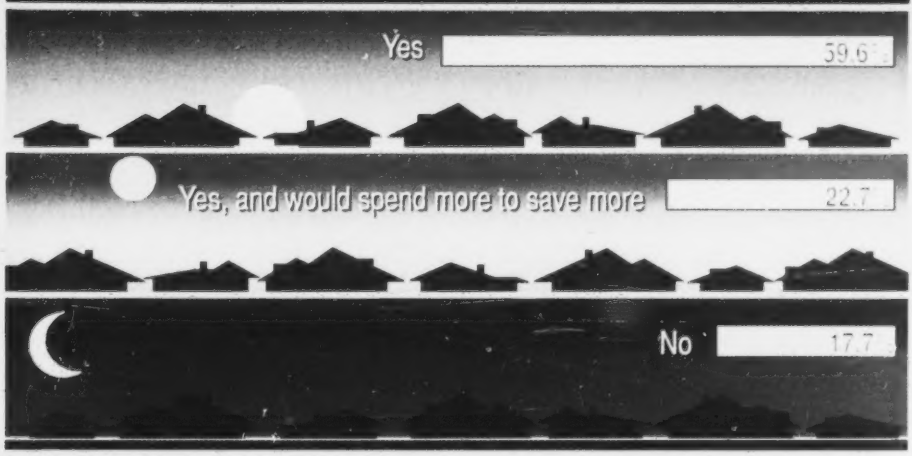
First-time buyers	$1350
Move-up buyers	$1530
Empty nesters	$1320
Retirees	$1398

HOW IMPORTANT IS AN INTELLIGENT HOUSE?

Intelligent House Features	% Consumer Who Want	Avg. Price Will Pay
Security/safety	69.0%	$1007
Energy management	68.7%	$1071
Entertainment	45.3%	$935
Communications	43.4%	$656
Service/data	38.6%	$609

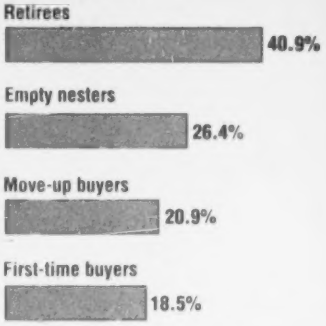
WILL BUYERS PAY EXTRA FOR ENERGY EFFICIENCY?

Would you spend an extra $1500 for energy-efficient products to save $250 per year on heating and cooling costs?



WHAT ABOUT ADAPTABLE HOUSE FEATURES?

Builders would be wise to consider in items like wider doorways, ramps and space for wheelchairs under sinks.



HOW TO SHOW YOUR COMMITMENT TO SAVING ENERGY

Most buyers prefer a written guarantee or warranty to confirm the builder's claims about energy-saving features.

How Consumers Determine Builder's Credibility	
Ask for guarantee/warranty	67.0%
Conduct a visual inspection	60.7%
Ask for literature	52.1%
Look for brand names	41.4%
Ask others who bought from builder	40.7%
Compare with other homes	35.9%
Get independent evaluation	35.9%

HOW IMPORTANT ARE CHILD-SAFETY FEATURES?

Consumers are becoming increasingly aware of the importance and need for child-safety features.

Child-Safety Features	Consumers Who Want
Anti-scald devices in faucets	49.4%
Spring-loaded locks on electrical receptacles	40.3%
Monitoring intercom	25.3%
Lowered handrail and safety gate	29.0%
Rounded corners on countertops	14.3%

varies little among the different regions of the country.

Having a healthy house also rates high among buyers. Fifty percent of consumers say they would like to have one or more healthy-house feature and would spend $1430 to have them.

An intelligent house is important to about 45% of today's buyers. These consumers would spend $1000 for a security and safety system or an energy-management system.

Child-safety features are also important to consumers. Nearly 50% of new home buyers say they want faucets with anti-scald devices. About 40% want spring-loaded locks on their electrical receptacles. □

BUYERS NOTICE SALES TACTICS

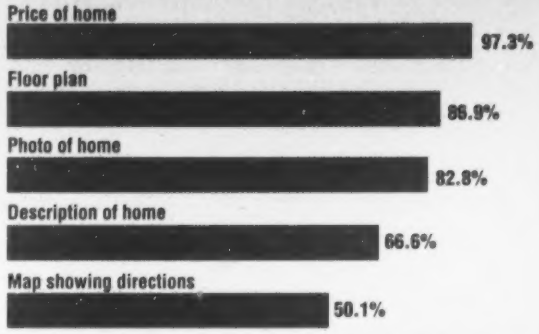
If you haven't had your sales staff shopped lately, you might want to do so. For the second year in a row, two-thirds of buyers say they are turned off by selling tactics.

And 58% of buyers say they react negatively to the attitude of sales staffs. Respondents complain that salespeople either use too much pressure (36%), or ignore them (56%).

Real estate brokers represent the source buyers use most frequently to find new homes (65%). Those consumers who search for new homes in the newspaper say that builders should make sure their ads include: the price, photo and description of the home, floor plan and a map with directions. □

WHAT CONSUMERS LOOK FOR IN ADVERTISEMENTS

A good real estate ad must include the price of the house, say 97% of consumers. Other important elements, summarized below, include a floor plan, a photo and a description of the home.



HOW DOES YOUR SALES PRESENTATION STACK UP?

Although most consumers like builders' model homes and sales offices, many give the sales staffs low marks.

What Turns Off Buyers	
Selling tactics	66.1%
Attitude, approach of sales staff	57.5%
Cost of home	54.1%

HOW BUYERS FIND NEW HOMES

Top 5 Information Sources For New Homes	
Real estate broker	65.0%
Newspaper or classified ads	54.9%
Advice from friends	28.3%
Billboards/for-sale signs	21.8%
Parade of homes	16.9%

DOES YOUR SALES STAFF MAKE THE GRADE?

Consumers have high standards for salespeople in model homes. Note how they rate salespeople, then try rating your own staff, based on the quiz below.

Did the sales staff:	Most	Some	Few
*Present the basic advantages of the home and community?	45.7%	42.7%	11.6%
*Point out hidden values of the home?	40.4%	40.0%	19.5%
*Point out benefits not offered by the competition?	24.5%	45.0%	30.4%
*Treat me like a person, with professionalism and honesty?	34.7%	46.0%	19.4%
*Use too much pressure, act too pushy?	24.6%	39.4%	36.0%
*Show no interest in me as a customer?	16.8%	44.0%	39.2%
*Show they were not knowledgeable about the homes?	14.2%	43.2%	42.6%
*Ignore me and not make me feel welcome?	8.1%	35.6%	56.4%

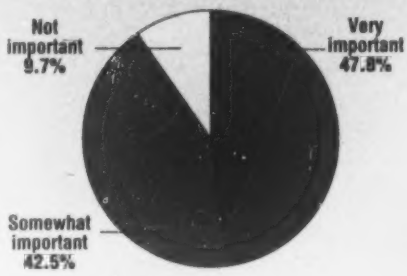
NEW HOME CONSUMERS

Buyers say the kitchen makes the biggest impression on them in a model home. Builders should respond by providing the best kitchen possible.

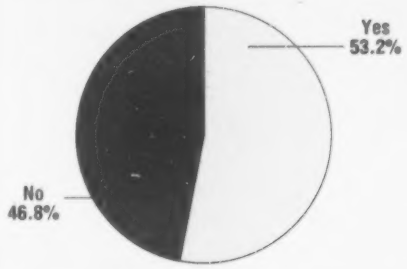
IS AN INSURED WARRANTY A MARKETING ADVANTAGE?

Only 40% of surveyed builders offer an insured warranty, but nearly half of all consumers say they wouldn't consider buying a home without one.

How Important To Consumers Is An Insured Warranty?

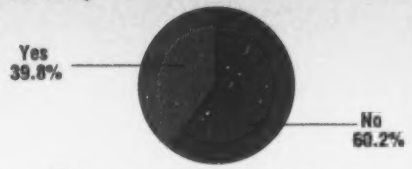


Would Consumers Consider Buying A Home Without An Insured Warranty?



IS IT NECESSARY TO MERCHANDISE DISPLAY MODELS?

The majority of consumers says that builders need not furnish their display models; buyers can determine which model to purchase without the decorating.



Yes, decorated and furnished interiors help me decide which model to buy.
No, I think unfurnished or partially furnished models are sufficient.

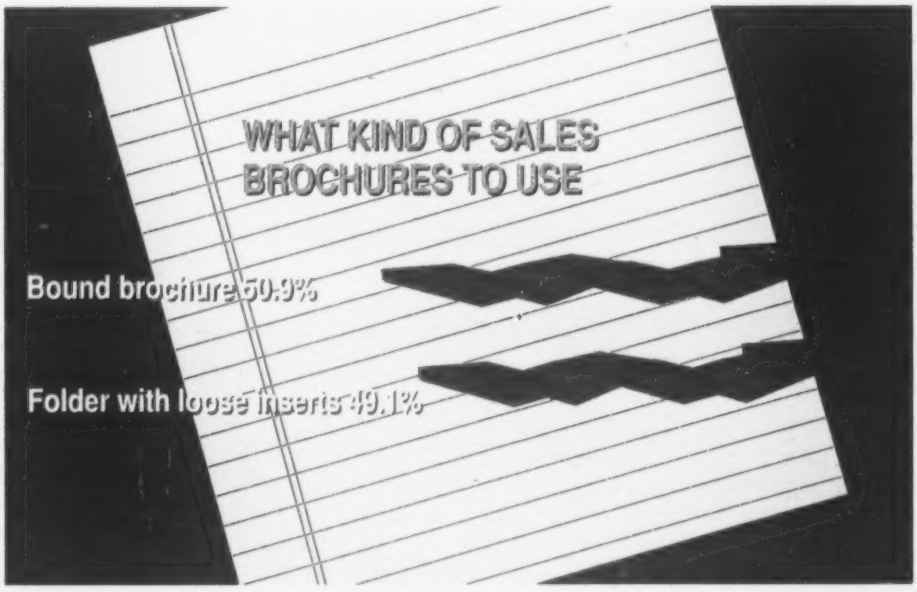
HOW IMPORTANT ARE ENVIRONMENTAL ISSUES?

Nearly 90% of consumers say that environmental factors (saving of trees and endangered species) are important to them when they buy a new home.

WHAT MOST IMPRESSES MODEL VISITORS?

What Most Influences Your Impression Of A Model?	
Kitchen	38.8%
Open floor plan	34.6%
Master bedroom	9.3%
Living room	7.8%
Family room	5.9%
Master bath	3.2%
Volume ceilings	3.2%
Entry	2.7%
Other	5.5%

WHAT KIND OF SALES BROCHURES TO USE



Professional Builder & Remodeler

THE DIVERSIFIED BUILDER

MID-OCTOBER 1992

SPECIAL ISSUE:

PB&R's 3rd Remodeling Consumer Survey

How To Meet Client Demand In 1993... 8

Industry Pros Use Survey To Create Remodeling Ideas... 32

Product Showcase: Capitalize On Consumer Demand... 46

PUBLICATION

Turn This Issue Over For New Housing Ideas

Contents

Editorial 5
Editor Bill Schober takes readers through some of the highlights of this special issue.

PB&R's Remodeling Survey: How To Meet Client Demand 8
Our third annual remodeling survey is a valuable tool for any builder who does remodeling work, with a focus on major additions & alterations. This story provides a detailed profile of consumers planning to remodel.

Industry Pros Create Consumer Targeted Remodeling Ideas 32
To help illustrate our Consumer Remodeling Survey, we assigned three teams of pros to analyze the results and create "idea projects." The three projects shown here are a kitchen, bath and room addition.

Product Showcase 46
Here are a variety of recently introduced products in categories ranging from structural materials to modern luxury amenities.

Reader Service Card 59
To get information from the manufacturers in this issue, please use the response card.

What consumers want in remodeling: p. 8.

Remodeling ideas for today's clients: p. 32.

Exciting new products: p. 46.

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Des Plaines, IL 60018-3358
708/635-8800
Blayne Long, Associate Publisher/ Director of Sales & Marketing
Paul Gillen, District Manager
Patty Horn, District Manager
Joseph E. Modaff, District Manager
Cathy Keeler, Classified

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201/228-8600
Ted Rzempoluch, District Manager

CANADA
Fenn Co. Inc.
148 King Road East
King City, Ontario
LOG 1KO Canada
416/833-6200

PROFILE OF CONTRACTOR RESPONDENTS

Average annual sales volume: $1,080,000

Average number of employees: 7.6

Type of work:
- New construction 46.4%
- Residential remodeling 42.2%
- Non-residential remodeling 11.3%

Geographic Location:
- Great Lakes 21.7%
- Mid-Atlantic 17.6%
- South Atlantic 16.9%
- Pacific 15.2%
- New England 7.7%
- Southern Plains 6.8%
- Mountain 6.1%
- Northern Plains 6.0%
- Mid-South 1.7%

PROFILE OF CONSUMER RESPONDENTS

Average household income $56,100

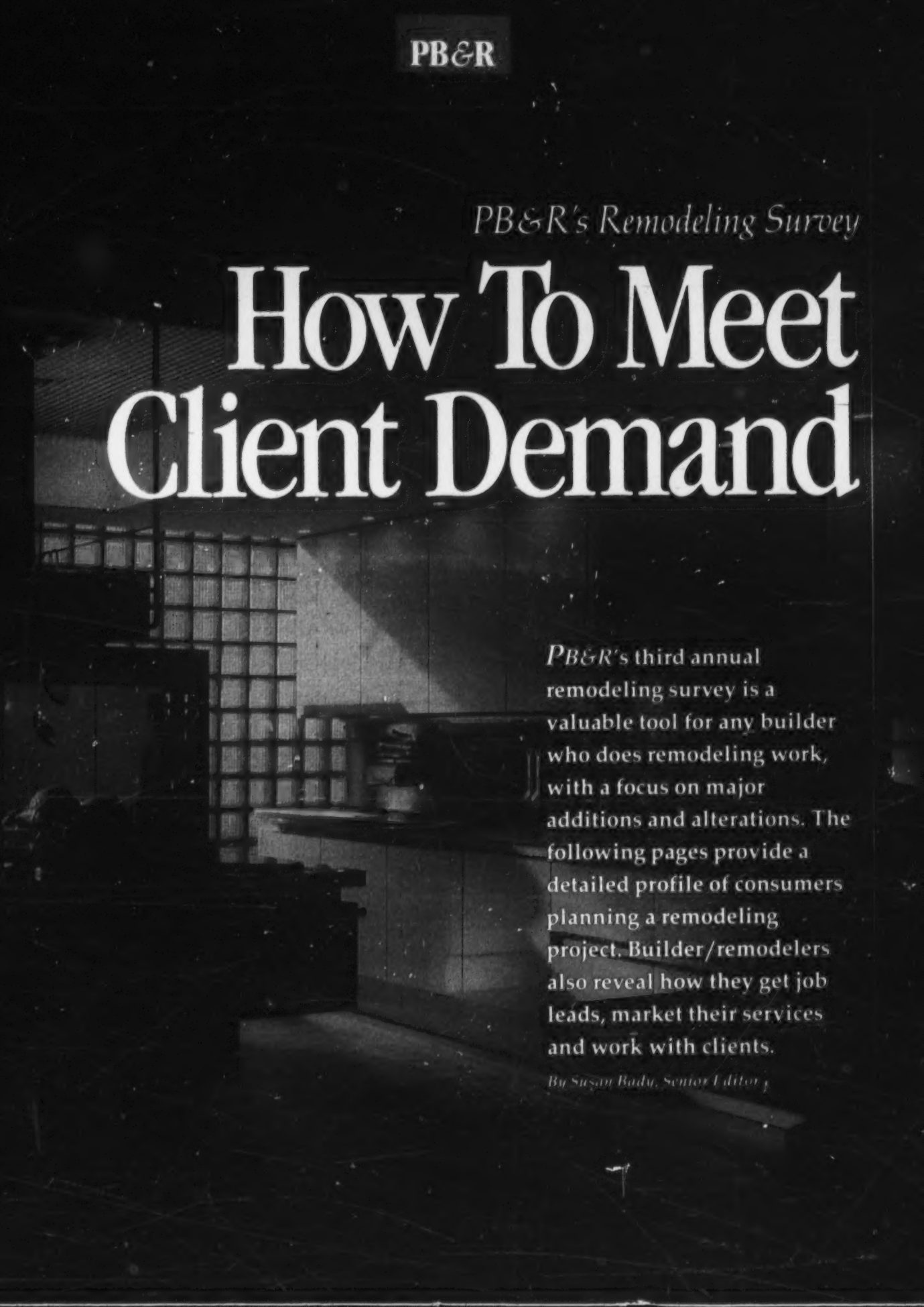
Average household size 2.9

Average age 47
38.0% male
62.0% female

Geographic Location:
- Great Lakes 21.0%
- Mid-Atlantic 16.8%
- South Atlantic 15.5%
- Pacific 13.2%
- Northern Plains 8.9%
- Southern Plains 8.2%
- New England 6.5%
- Mid-South 5.3%
- Mountain 4.6%

PB&R's Remodeling Survey

How To Meet Client Demand



PB&R's third annual remodeling survey is a valuable tool for any builder who does remodeling work, with a focus on major additions and alterations. The following pages provide a detailed profile of consumers planning a remodeling project. Builder/remodelers also reveal how they get job leads, market their services and work with clients.

By Susan Bady, Senior Editor

HOW CONSUMERS PLAN PROJECTS

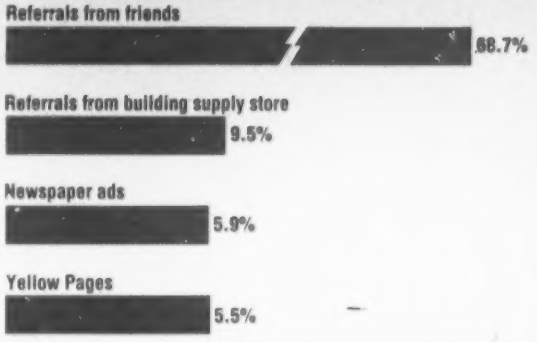
Kitchens and bathrooms are perennial favorites on the list of rooms to be remodeled. Forty percent of consumer respondents said bath remodeling was their top priority this year.

Generally speaking, the older the house, the more inclined consumers are to remodel wet rooms, and they usually do so within the first year or two of ownership. From an economic standpoint, this is a sound move. Of all remodeling jobs, kitchen and bath renovations add the most value to a home.

Consumers avidly read magazines for remodeling ideas and take notes on remodeling work done in their friends' homes. Some homeowners get advice from contractors and

HOW DO CONSUMERS FIND CONTRACTORS?

Referrals from friends often dictate the consumer's choice of remodeler, but more consumers are turning to building supply retailers for referrals as well.



HOW MANY YEARS HAVE YOU OWNED YOUR HOME?

Consumers have owned their homes an average of 9.7 years.

Years Owned Home	
Less than 1 year	6.7%
1 to 2 years	8.7%
3 to 5 years	16.9%
6 to 10 years	19.8%
11 to 14 years	11.4%
15 or more years	36.6%

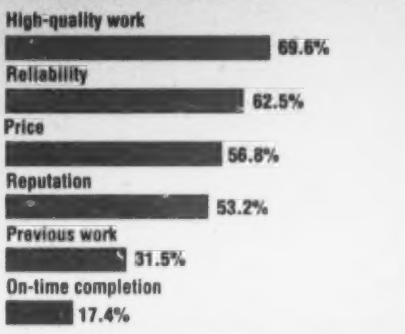
TOP FIVE REMODELING JOBS PLANNED

Remodel bathroom	40.0%
Remodel kitchen	36.6%
Room addition	22.6%
Redo exterior	10.3%
Enclose porch / patio / breezeway	9.5%

HOW DO CONSUMERS EVALUATE CONTRACTORS?

Although high-quality work is still the top criterion, reputation ranked higher this year.

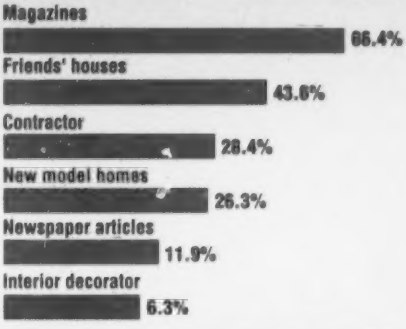
Base Judgment On:



WHERE DO CONSUMERS GET IDEAS FOR PROJECTS?

Magazines are the best vehicles for conveying remodeling ideas.

Find Ideas From:



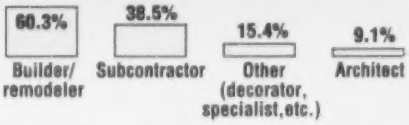
WHAT IS THE TOTAL SQUARE FOOTAGE OF YOUR HOME?

Homes average 1824 square feet.

Size Of Home	
Less than 1000 sq. ft.	5.6%
1000 to 1199 sq. ft.	9.4%
1200 to 1499 sq. ft.	21.4%
1500 to 1799 sq. ft.	18.6%
1800 to 2199 sq. ft.	18.6%
2200 to 2599 sq. ft.	13.5%
2600 to 2999 sq. ft.	6.1%
3000 sq. ft. or more	6.8%

WHO WILL CONSUMERS HIRE TO DO THE WORK?

As the market value of the home increases, so does the likelihood consumers will hire an architect as well as a builder to do the work.



tour new model homes.

Consumers aren't price-shopping on addition/alteration remodeling jobs as much as they are looking for quality construction and a reliable, reputable builder. High-quality work ranked No. 1 on the list of criteria for contractor selection by about 70% of respondents.

The greater the market value of the home, the more likely it is the owner will retain the services of an architect.

Consumers value their friends' opinions and experiences, and usually select a contractor based on referrals from satisfied customers. Some rely on referrals from building supply stores.

Cash is the primary financing vehicle for consumers who remodel. About 30% of respondents owning homes in the $200,000 to $299,000 price range said they would use a home equity loan. Fully 35% of consumers in the Southern Plains region said they would take out a home improvement loan. □

REMODELERS: HOW DO CLIENTS FINANCE JOBS?

Of the following, the most frequently used are cash and home equity loans, according to remodelers.

Payment Methods	
Cash	88.0%
Home equity loan	69.1%
Home improvement loan	63.3%
Second mortgage	41.6%
Refinance original mortgage	39.2%
Construction loan	34.2%
Credit union	29.7%
FHA loan	5.2%
Financed by remodeler	4.0%

REMODELING CONSUMERS

About 45% want more storage space in the bath. Walls, doors and windows are often moved or added.

Bathroom remodeling isn't just a matter of cosmetic work these days. It's almost taken for granted that plumbing fixtures, countertops and cabinets will be replaced, but consumers are not just updating, they're expanding. Structural work includes moving or adding walls, windows and doors.

Consumers in the West expect to pay more to remodel a bath, which is no doubt a consequence of high material and labor costs in that region. □

WHAT'S INCLUDED IN A BATH REMODEL?

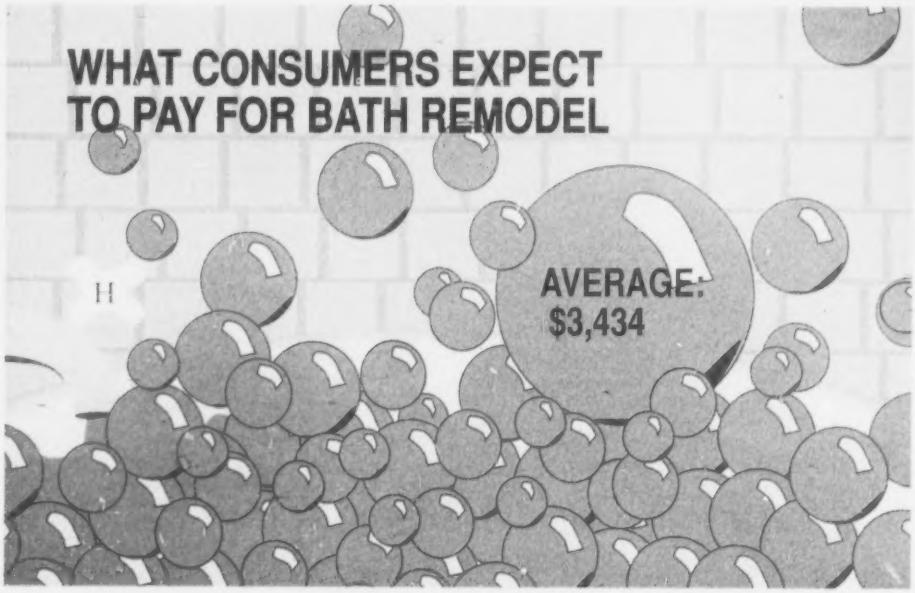
Floors, cabinets, and sink/faucets are the top three items consumers plan for their bath projects. New plumbing fixtures, flooring and countertops are the items most often included, according to contractors.

% Remodelers	% Consumers	% Remodelers
Sink/faucets	76.9%	94.0%
Flooring	82.7%	93.8%
Countertops	67.5%	93.5%
Tub/shower	66.4%	91.4%
Cabinets	79.8%	89.6%
Lighting	48.0%	89.3%
Toilet/bidet	26.6%	86.7%
Wall(s)	32.8%	58.9%
Window(s)	29.1%	72.7%
Door(s)	27.6%	59.6%
Skylight(s)	24.6%	38.8%
New secondary (full) bath	23.1%	—
Add bath to master bedroom	20.9%	39.1%
Walk-in closet	19.4%	19.5%
Utility closet	18.7%	25.0%
New powder room	9.0%	—
Laundry appliances	8.2%	14.8%

WHAT CONSUMERS EXPECT TO PAY FOR BATH REMODEL, BY HOME VALUE

Not surprisingly, consumers expect to pay more for their bathroom remodel if their homes have a higher market value.

	Home Market Value in Thousands				
Cost	Under $65	$65 to $99	$100 to $199	$200 to $299	$300 plus
Less than $1000	31.5%	29.1%	14.0%	3.1%	—
$1000 to $1999	28.3%	19.0%	15.1%	15.6%	21.1%
$2000 to $4999	30.4%	38.0%	34.4%	37.5%	31.6%
$5000 & over	9.8%	13.9%	36.6%	43.8%	47.4%
Average	$1911	$2742	$4087	$5220	$7484



TOP BATH MODIFICATIONS PLANNED BY CONSUMERS

Over three-fourths of consumers plan to upgrade the cabinetry in their bathroom. About 45% will increase storage space.

Project Planned	
Upgrade cabinetry	77.0%
Increase storage space	44.9%
Expand existing bath	23.0%
Remove walls	18.5%
Expand outside fndtion	10.6%
Increase ceiling height	7.9%
Open to vaulted ceiling	4.9%
Make a garden bath	3.6%

REMODELING CONSUMERS

According to contractors, the average bath remodel will cost twice as much as consumers think.

Homeowners who expect to pay an average of $3400 to remodel a bath are greatly underestimating the cost, according to contractors, who reported that the average bath remodel costs $6800. Consumers' product choices are listed in the chart on this page. □

WHAT CONSUMERS EXPECT TO SPEND ON BATH REMODEL

Overall, consumers expect to spend an average of $3434 on their bathroom remodel.

Under $5000	21.0%
$1000 to $1999	20.3%
$2000 to $4999	34.3%
$5000 & over	24.4%
National average	$3434

WHAT REMODELERS SAY BATH REMODEL WILL COST

The pros say consumers underestimate the cost of bath remodeling by half.

Under $5000	50.8%
$5000 to $10,000	30.4%
$10,000 to $15,000	13.0%
$15,000 to $25,000	3.3%
$25,000 to $35,000	1.4%
$35,000 to $50,000	0.5%
$50,000 to $65,000	0.5%
National average	$6800

PRODUCTS CONSUMERS WANT IN REMODELED BATH

	Home Market Value in Thousands				
	Under $65	$65 to $99	$100 to 199	$200 to $299	$300 plus
Walls					
Wallpaper	48.1%	41.4%	42.3%	41.2%	35.0%
Ceramic tile	26.0%	42.5%	38.1%	44.1%	40.0%
Paint	43.3%	44.8%	35.1%	55.9%	60.0%
Mirrored	6.7%	8.0%	7.2%	8.8%	15.0%
Marble	1.9%	2.3%	2.1%	5.9%	—
Floors					
Ceramic tile	21.2%	31.0%	42.3%	50.0%	70.0%
Vinyl	46.2%	29.9%	25.8%	17.6%	15.0%
Carpeted	21.2%	17.2%	11.3%	5.9%	—
Marble	1.9%	1.1%	5.2%	2.9%	5.0%
Wood	1.0%	2.3%	7.2%	2.9%	5.0%
Cabinets					
Medicine	47.1%	39.1%	43.3%	38.2%	40.0%
Wood	32.7%	35.6%	41.2%	41.2%	30.0%
Custom-made	13.5%	24.1%	17.5%	35.3%	30.0%
Linen storage	27.9%	23.0%	15.5%	23.5%	20.0%
Laminate-face	9.6%	9.2%	11.3%	5.9%	15.0%
National mfr.	16.3%	11.5%	17.5%	23.5%	5.0%
Faucets/fixtures					
2-handle faucet	42.3%	33.3%	45.4%	41.2%	55.0%
Plumbing fixtures	31.7%	34.5%	33.0%	44.1%	25.5%
Single-handle faucet	24.0%	31.0%	30.9%	35.3%	40.0%
Tub/shower					
Tub/shower door	38.5%	32.2%	35.1%	38.2%	35.0%
Water-saving shower heads	29.8%	37.9%	37.1%	32.4%	30.0%
Separate shower	9.6%	19.5%	24.7%	38.2%	25.0%
Whirlpool	6.7%	11.5%	11.3%	23.5%	10.0%
Vanity					
One bowl	56.7%	54.0%	66.0%	58.8%	50.0%
Two bowl	8.7%	12.6%	7.2%	20.6%	25.0%
Countertops					
Laminate	20.2%	18.4%	26.9%	8.8%	10.0%
Marble/granite	14.4%	16.1%	15.5%	26.5%	20.0%
Solid surface	15.4%	11.5%	22.7%	29.4%	15.0%
Ceramic tile	10.6%	17.2%	13.4%	14.7%	45.0%
Lighting					
Fluorescent	25.0%	23.0%	29.9%	26.5%	15.0%
Recessed	13.5%	18.4%	17.5%	38.2%	40.0%
Track	6.7%	12.6%	11.3%	5.9%	15.0%
Closets					
Shelving	23.1%	21.8%	16.5%	17.6%	30.0%
Walk-in	3.8%	9.2%	4.1%	5.9%	15.0%
Laundry/utility	9.6%	6.9%	6.2%	11.8%	5.0%
Toilet/bidet					
Compartmentalized	24.0%	26.4%	22.7%	—	—
Bidet	5.8%	3.4%	1.0%	23.5%	25.0%
Windows					
Skylight	5.8%	10.3%	10.3%	11.8%	25.0%
Bay	6.7%	5.7%	4.1%	5.9%	15.0%
Misc.					
Exhaust fan	42.3%	41.4%	36.1%	58.8%	30.0%
Safety features	17.3%	16.1%	16.5%	11.8%	15.0%
Bathroom heater	20.2%	12.6%	13.4%	11.8%	10.0%
Ceiling fan	9.6%	14.9%	10.3%	8.8%	5.0%
Pedestal lav	6.7%	4.6%	6.2%	11.8%	10.0%
Siding	5.8%	9.2%	4.1%	2.9%	5.0%
Roofing	5.8%	6.9%	5.2%	2.9%	25.0%
Dressing area	1.9%	8.0%	3.1%	—	5.0%
Sauna	1.9%	3.4%	—	—	—
Intercom	1.0%	1.1%	2.1%	2.9%	—
Fireplace	1.9%	4.6%	3.1%	—	—
Garden bath	1.9%	4.6%	2.1%	—	10.0%
Fitness equipment	1.9%	1.1%	—	—	—
Appliance garage	—	1.1%	2.1%	—	—

HOW CONSUMERS GET THE JOB DONE

Kitchens in older homes tend to suffer from bad floor plans. Nearly half of consumers who own houses that are more than 40 years old are planning to alter the kitchen layout, in addition to upgrading the lighting, cabinets and appliances.

At the other end of the age spectrum, 40% of the owners of homes which are eight years old or less, plan to expand the kitchen outside the home's foundation.

Eat-in kitchens are preferred by the majority of consumers. Even in larger, more expensive homes, a kitchen with either a table or countertop area for dining is preferable to a separate breakfast room.

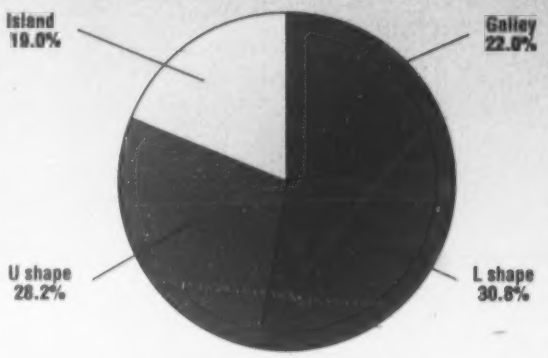
Some distinct regional preferences emerged from the list of desired kitchen additions. For example, about 21% of consumers in the Southern Plains states wanted a walk-in pantry, compared to 8% overall.

The average cost of a kitchen remodel, according to all consumer respondents, is $6789. That figure may not be as unrealistic as it sounds, since many consumers are planning only cosmetic work (replacing cabinets, countertops, etc.). Still, the projection is far below the remodelers' estimate of $11,600.

Products consumers want in their remodeled kitchens are listed on the following page. □

CONSUMERS' FAVORITE KITCHEN DESIGN

An L-shaped kitchen is preferred by most consumers.

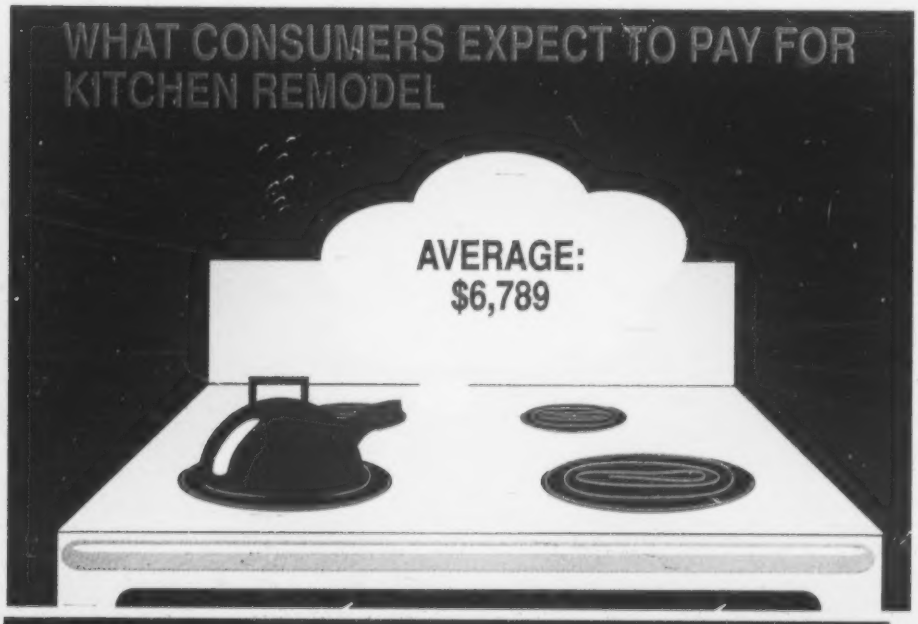


WHAT'S INCLUDED IN A KITCHEN REMODEL?

Flooring is the number one kitchen amenity consumers will replace. Contractors say new cabinets and countertops are usually part of the job.

Feature	% Consumers	% Remodelers
Cabinets	79.1%	96.7%
Countertops	81.0%	96.4%
Flooring	82.9%	94.9%
Sink/faucets	73.7%	94.8%
Lighting	63.2%	89.7%
Built-in appliances	44.0%	68.7%
Free-standing appliances	27.8%	41.8%
Windows	26.1%	80.3%
Door(s) to outside	13.7%	59.0%
Utility closet	13.2%	39.7%
Skylight/roof window	12.0%	42.8%
Breakfast nook	9.0%	43.1%
Walk-in pantry	8.1%	37.7%
Laundry area	6.4%	25.4%
Second range/oven	6.4%	17.4%
Divider wall(s)	6.0%	30.0%

WHAT CONSUMERS EXPECT TO PAY FOR KITCHEN REMODEL



TOP KITCHEN MODIFICATIONS PLANNED BY CONSUMERS

A cabinetry upgrade is in order for 79% of consumers.

Project Planned:	
Upgrade cabinetry	79.0%
Increase cabinet space	56.6%
Upgrade appliances	55.9%
Change floor plan	38.9%
Remove walls	20.3%
Expand outside fndtion	12.2%
Combine with dining room	8.1%
Combine with family room	3.7%
Increase ceiling height	3.4%

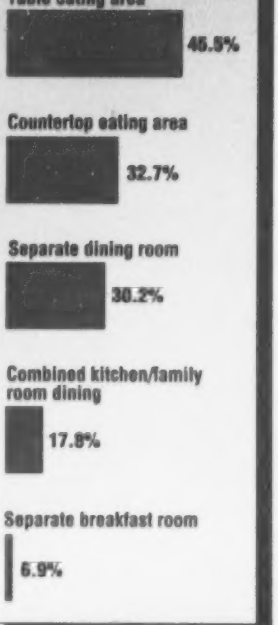
WHAT CONSUMERS EXPECT TO PAY FOR KITCHEN REMODEL, BY HOME VALUE

The higher the market value of the home, the higher the cost of the kitchen remodel.

	Home Market Value in Thousands				
Cost	Under $65	$65 to $99	$100 to $199	$200 to $299	$300 plus
Under $1000	16.7%	4.0%	5.4%	3.2%	—
$1000 to $1999	15.4%	13.3%	6.5%	9.7%	—
$2000 to $4999	46.2%	45.3%	28.0%	19.4%	13.0%
$5000 to $9999	15.4%	17.3%	35.5%	16.1%	21.7%
$10,000 to $19,999	6.4%	18.7%	19.4%	41.9%	21.7%
$20,000 and over	—	1.3%	5.4%	9.7%	43.5%
Averages	$3334	$5007	$6621	$9808	$20,356

EATING ARRANGEMENTS FAVORED BY CONSUMERS

Over half of consumers who have owned their homes less than a year want a table eating area in their kitchen.



WHAT CONSUMERS EXPECT TO SPEND ON KITCHEN REMODEL

Overall, consumers expect to pay an average of $6789 to remodel the kitchen.

Under $1000	7.3%
$1000 to $1999	10.3%
$2000 to $4999	34.9%
$5000 to $9999	22.6%
$10,000 to $19,999	18.3%
$20,000 and over	6.6%
National average	$6789

WHAT REMODELERS SAY KITCHEN REMODEL WILL COST

Consumer estimates of kitchen remodeling costs are well below remodelers' projections: $6789 versus $11,600.

Under $5000	26.8%
$5000 to $10,000	27.3%
$10,000 to $15,000	23.3%
$15,000 to $25,000	14.9%
$25,000 to $35,000	5.3%
$35,000 to $50,000	1.3%
$50,000 to $75,000	0.5%
$75,000 to $100,000	0.5%
National average	$11,600

REMODELING CONSUMERS

PRODUCTS CONSUMERS WANT IN REMODELED KITCHEN

	Home Market Value in Thousands				
	Under $85	$85 to $100	$100 to $199	$200 to 299	$300 plus
Walls					
Ceramic tile	6.1%	15.8%	17.0%	22.6%	20.0%
Marble	—	1.3%	—	—	—
Paint	54.9%	55.8%	49.0%	61.3%	64.0%
Wallpaper	45.1%	36.4%	45.0%	64.5%	28.0%
Floors					
Carpeted	9.8%	5.2%	5.0%	6.5%	4.0%
Hardwood	4.9%	11.7%	9.0%	9.7%	16.0%
Ceramic tile	14.6%	16.9%	24.0%	19.4%	28.0%
Marble	—	2.6%	1.0%	—	—
Vinyl	58.5%	53.2%	48.0%	61.3%	28.0%
Cabinets					
Custom-made	24.4%	35.1%	28.0%	38.7%	28.0%
Laminate-face	9.8%	11.7%	15.0%	12.9%	16.0%
Locally fabricated	18.3%	15.6%	11.0%	12.9%	28.0%
National mfr.	14.6%	11.7%	18.0%	12.9%	8.0%
Wood	29.3%	27.3%	39.0%	29.0%	36.0%
European-style	4.9%	6.5%	6.0%	19.4%	8.0%
Countertops					
Butcher block	9.8%	16.9%	7.0%	6.5%	8.0%
Laminate	41.5%	39.0%	48.0%	41.9%	8.0%
Solid surface	13.4%	13.0%	15.0%	32.3%	20.0%
Ceramic tile	9.8%	13.0%	12.0%	12.9%	32.0%
Marble/granite	3.7%	7.8%	8.0%	12.9%	24.0%
Appliances					
BBQ grill	—	1.3%	3.0%	6.5%	12.0%
Built-in microwave	14.6%	26.0%	27.0%	22.6%	44.0%
Built-in oven	15.9%	23.4%	21.0%	29.0%	64.0%
Built-in refrigerator	6.1%	11.7%	13.0%	9.7%	48.0%
Dishwasher	35.4%	41.6%	51.0%	48.4%	64.0%
Garbage disposal	23.2%	23.4%	35.0%	35.5%	60.0%
Range/oven	24.4%	33.8%	32.0%	45.2%	72.0%
Refrigerator	24.4%	24.7%	22.0%	41.9%	20.0%
Restaurant range	1.2%	2.6%	2.0%	—	—
Trash compactor	2.4%	3.9%	9.0%	3.2%	32.0%
Hot water dispenser	19.5%	2.6%	6.0%	9.7%	24.0%
Self-cleaning oven	—	26.0%	33.0%	48.4%	52.0%

	Home Market Value in Thousands				
	Under $85	$85 to $100	$100 to $199	$200 to 299	$300 plus
Sinks/faucets					
Enamel/porcelain	7.3%	11.7%	17.0%	38.7%	52.0%
Second sink	2.4%	5.2%	2.0%	3.2%	32.0%
Single-handle faucet	31.7%	29.9%	33.0%	67.7%	60.0%
Stainless steel sink	41.5%	44.2%	38.0%	25.9%	28.0%
Two-handle faucet	14.6%	9.1%	20.0%	6.5%	8.0%
Water-saving faucets	20.7%	15.6%	16.0%	9.7%	28.0%
Colored faucets	—	2.6%	5.0%	16.1%	4.0%
Double sink	42.7%	42.9%	43.0%	41.9%	52.0%
Triple sink	2.4%	—	3.0%	—	20.0%
Lighting					
Fluorescent	26.8%	41.6%	36.0%	41.9%	32.0%
Recessed	9.8%	19.5%	24.0%	41.9%	52.0%
Track	9.8%	10.4%	8.0%	3.2%	20.0%
Under cabinet	22.0%	22.1%	29.0%	38.7%	24.0%
Windows					
Bay	9.8%	1.3%	7.0%	9.7%	16.0%
Greenhouse	2.4%	14.3%	14.0%	9.7%	20.0%
Skylight	2.4%	7.8%	13.0%	19.4%	8.0%
Exterior	26.8%	16.9%	15.0%	22.6%	28.0%
Doors					
Exterior	20.7%	11.7%	11.0%	19.4%	24.0%
French	4.9%	5.2%	10.0%	6.5%	12.0%
Interior	12.2%	6.5%	6.0%	22.6%	20.0%
Island					
With cooktop	3.7%	10.4%	4.0%	9.7%	16.0%
With sink	2.4%	3.9%	3.0%	3.2%	24.0%
Misc.					
Built-in eating counter	11.0%	16.9%	16.0%	12.9%	16.0%
Built-in table	3.7%	3.9%	4.0%	3.2%	8.0%
Laundry/utility closet	9.8%	2.6%	2.0%	6.5%	8.0%
Lazy susan	15.9%	13.0%	13.0%	22.6%	16.0%
Pantry	12.2%	19.5%	17.0%	41.9%	44.0%
Appliance garage	9.8%	1.3%	3.0%	6.5%	12.0%
Warming drawer	1.2%	—	—	—	4.0%
Locksets	1.2%	1.3%	1.0%	3.2%	8.0%
Thermostats	1.2%	1.3%	—	3.2%	4.0%
Insulation	20.7%	11.7%	14.0%	16.1%	32.0%
Closet shelving	7.3%	16.9%	14.0%	22.6%	16.0%
Intercom	—	—	2.0%	6.5%	—
Ceiling fan	22.5%	20.7%	29.9%	19.0%	12.0%
HVAC system	8.5%	3.9%	2.0%	3.2%	8.0%
Roofing	15.9%	6.5%	5.0%	9.7%	12.0%
Siding	9.8%	5.2%	2.0%	3.2%	—
Desk	1.2%	9.1%	7.0%	9.7%	8.0%

ROOM ADDITIONS SERVE MANY PURPOSES

Consumer and remodeler respondents agreed that the average room addition is about 400 square feet. But the reasons for adding space varied widely.

About half of consumers who own newer houses (eight years old or less) are adding one or more bedrooms. Nearly 30% owning homes that are 64 or more years old wished to enlarge the kitchen.

Space for family entertaining was a highly rated design feature among all consumers. About 42% of consumers whose homes are valued at $300,000 or more intend to add a home office.

Consumers estimated a room addition would cost $16,770, or about half of what remodelers estimated. □

WHY DO CONSUMERS WANT TO ADD SPACE?

About 35% owning homes under 1200 square feet plan to create a great room. About 32% with homes of 2600 square feet or more are interested in a sun room.

Need Extra Space:	
To add a bedroom	28.7%
To enlarge or add a bath	28.1%
To create a great room	23.4%
To create a master suite	16.8%
To enlarge a kitchen	15.0%
To create a sun room	9.0%
To add a screened porch	9.0%

HOW MUCH SPACE DO CONSUMERS WANT TO ADD?

Consumers plan to add an average of 418 square feet of space to their home.

Size Of Addition	
Under 100 sq. ft.	15.5%
100 to 150 sq. ft.	20.2%
151 to 300 sq. ft.	17.3%
301 to 500 sq. ft.	14.3%
501 to 1000 sq. ft.	23.8%
Over 1000 sq. ft.	8.9%

WHAT REMODELERS SAY ROOM ADDITION WILL COST

Under $5000	19.4%
$5000 to $10,000	7.4%
$10,000 to $15,000	12.6%
$15,000 to $25,000	22.7%
$25,000 to $35,000	16.9%
$35,000 to $50,000	11.2%
$50,000 to $75,000	6.3%
$75,000 to $100,000	2.2%
$100,000 to $200,000	0.8%
Over $200,000	0.5%
National Average	$25,400

CONSUMERS RATE ROOM ADDITION DESIGN ELEMENTS

Sun rooms or greenhouse rooms, ranked second last year, are considerably lower on the list.

Desired Features	
Family entertaining space	47.9%
Raised, flat ceilings	24.3%
Space for home office	20.8%
Home entertainment center	18.8%
Vaulted ceilings	18.8%
Plant shelves/niches	18.1%
Living space for relative	13.9%
Built-in furniture	13.2%
Window treatments	13.2%
Formal entertaining space	11.1%
Sun room/greenhouse	10.4%
Covered entries	9.0%

PRODUCTS CONSUMERS WANT IN ROOM ADDITION

	Home Market Value in Thousands				
	Under $65	$65 to $99	$100 to $199	$200 to $299	$300 plus
Flooring					
Carpet	85.6%	82.0%	57.8%	57.9%	61.5%
Vinyl	39.1%	30.0%	26.7%	36.8%	23.1%
Ceramic tile	6.3%	22.0%	15.6%	26.3%	23.1%
Hardwood	3.1%	12.0%	20.0%	26.3%	23.1%
Marble	1.6%	—	—	—	—
Windows					
Other windows	59.4%	52.0%	53.3%	68.4%	38.5%
Skylight(s)	7.8%	16.0%	31.1%	36.8%	23.1%
Bay	15.6%	16.0%	6.7%	15.8%	30.8%
Decorative	12.5%	12.0%	17.8%	15.8%	15.4%
Greenhouse	3.1%	6.6%	6.7%	5.3%	7.7%
Sun room	—	14.0%	—	21.1	—
Walls					
Paint	76.6%	72.0%	84.4%	84.2%	76.9%
Wallpaper	28.1%	42.0%	44.4%	63.2%	38.5%
Ceramic tile	7.8%	12.0%	17.8%	21.1%	15.4%
Marble	—	2.0%	2.2%	—	7.7%
Doors					
Interior	51.6%	62.0%	62.2%	52.5%	53.8%
Exterior	54.7%	52.0%	48.9%	73.7%	46.2%
Patio	17.2%	30.0%	11.1%	31.6%	38.5%
Garage	7.8%	18.0%	6.7%	10.5%	15.4%
Roofing					
Asphalt fiber-glass shingles	70.3%	68.0%	55.6%	42.1%	23.1%
Cedar shingles/ shakes	3.1%	4.0%	2.2%	—	15.4%
Metal tile	3.1%	2.0%	2.2%	—	7.7%
Clay tile	—	—	2.2%	5.3%	—

	Home Market Value in Thousands				
	Under $65	$65 to $99	$100 to $199	$200 to $299	$300 plus
Siding					
Wood	29.7%	26.0%	28.7%	21.1%	23.1%
Vinyl	21.9%	22.0%	20.0%	10.5%	7.7%
Brick/Masonry	21.9%	28.0%	4.4%	21.1%	7.7%
Aluminum/metal	15.6%	4.0%	4.4%	5.3%	—
Wood shakes/ shingles/plywood	6.3%	16.0%	4.4%	5.3%	—
Hardboard	4.7%	4.0%	8.9%	5.3%	—
Lighting					
Fluorescent	40.6%	34.0%	35.6%	42.1%	15.4%
Recessed	23.4%	30.0%	22.2%	42.1%	76.9%
Track	6.3%	14.0%	24.4%	26.3%	23.1%
Miscellaneous					
Insulation	54.7%	58.0%	62.2%	63.2%	38.5%
Ceiling fan	54.7%	60.0%	57.8%	42.1%	15.4%
Closet shelving	31.3%	34.0%	48.9%	47.4%	53.8%
Cabinets	35.9%	34.0%	37.8%	52.6%	30.8%
New heating system	6.3%	28.0%	26.7%	31.6%	23.1%
Air-conditioning system	15.6%	16.0%	22.2%	21.1%	15.4%
Decorative molding	14.1%	12.0%	22.2%	21.1%	30.8%
Thermostats	10.9%	16.0%	17.8%	26.3%	23.1%
Fireplace	10.9%	22.0%	8.9%	10.5%	30.8%
Central vacuum system	1.6%	10.0%	—	15.8%	7.7%
Door chimes	1.6%	2.0%	4.4%	—	7.7%

WHAT CONSUMERS EXPECT TO PAY FOR ROOM ADDITION, BY HOME VALUE

Consumers whose homes have a market value of $300,000 or more expect to pay the most.

	Home Market Value in Thousands				
Cost	Under $65	$65 to $99	$100 to $199	$200 to $299	$300 plus
Under $5000	38.0%	5.7%	8.3%	8.3%	14.3%
$5000 to $9999	26.0%	28.6%	25.0%	—	—
$10,000 to $19,999	16.0%	40.0%	16.7%	16.7%	14.3%
$20,000 to $29,999	12.0%	14.3%	33.3%	8.3%	14.3%
$30,000 and over	6.0%	11.4%	16.7%	66.7%	57.1%
Average	$10,023	$15,564	$17,417	$33,548	$41,143

HOW OLD ARE THE HOMES YOU RENOVATE?

Builder/remodelers report doing whole-house renovations on residences averaging 38.9 years in age.

Age Of Home	
Less than 10 years	2.3%
10 to 15 years	8.8%
16 to 30 years	34.8%
31 to 45 years	23.8%
46 to 65 years	16.2%
66 to 90 years	9.7%
90 or more years	4.6%

REMODELING CONSUMERS

Most homeowners will paint and do cleanup work. Fewer will do plumbing and electrical work.

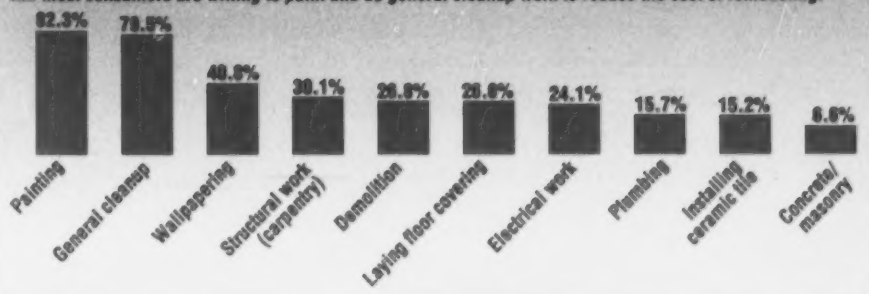
About 68% of consumers said they intended to do some of the remodeling work themselves. Most homeowners planned to paint and do cleanup.

Consumers are more realistic about the time it takes to remodel a kitchen or bath, but they need to be educated about room additions. Consumer predictions of a 2-to-4-week completion are in line with remodeler estimates for kitchens and baths. However, remodelers said a room addition takes an average of eight weeks.

Products consumers want to include in their room additions are listed on the following page. □

WHAT WORK WILL CONSUMERS DO THEMSELVES?

Most consumers are willing to paint and do general cleanup work to reduce the cost of remodeling.



HOW LONG REMODELERS SAY IT WILL TAKE

Consumer estimates for completion of kitchen and bath jobs are in line with remodeler estimates. But room additions may take longer than consumers think; average time is 8.1 weeks, remodelers say.

	Kitchen Remodel	Bath Remodel	Room Addition
Less than 2 weeks	18.2%	33.3%	1.3%
2 to 4 weeks	45.6%	46.9%	18.2%
5 to 7 weeks	25.5%	13.6%	34.0%
8 to 10 weeks	8.3%	5.3%	28.2%
11 to 16 weeks	1.9%	0.5%	12.1%
17 to 24 weeks	0.3%	—	4.0%
More than 24 weeks	0.3%	0.3%	2.1%
Average # of weeks	4.2	3.2	8.1

HOW LONG CONSUMERS SAY IT WILL TAKE

A little more than one-fourth of consumers believe their remodeling jobs will take two to four weeks.

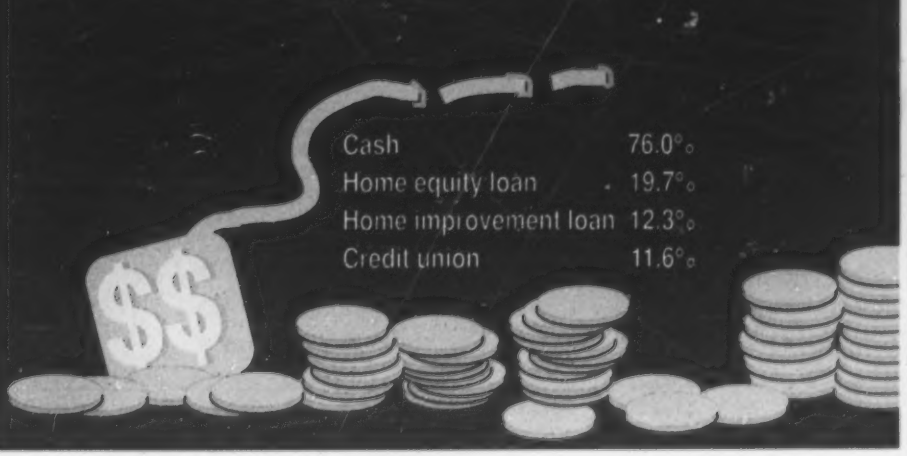
Less than 2 weeks	20.9%
2 to 4 weeks	27.0%
5 to 7 weeks	16.3%
8 to 10 weeks	15.6%
11 to 16 weeks	9.4%
17 to 24 weeks	2.4%
More than 24 weeks	8.3%
Average # of weeks	7.4

TOP FIVE REMODELING JOBS DONE BY CONTRACTORS

Room additions, kitchens and baths are the three jobs that account for the largest portion of work done by contractor respondents.

Kitchens	89.4%
Room additions	87.7%
Baths	87.4%
Exterior work	74.4%
Whole-house renovation	69.6%

HOW DO CONSUMERS FINANCE REMODELING WORK?



WORK HARDER TO SELL EXTRA SERVICES

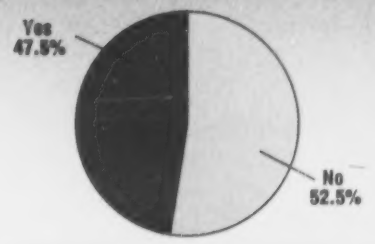
About 62% of remodeling contractors said they offer design services, decorating services or both to their customers. Remodelers need to get the word out about these services to keep their clientele from going elsewhere.

About half of contractor respondents remodel houses they originally built. This type of work, which has proven profitable for a number of large production builders, could be a steady source of business for smaller contractors as well.

About 94% of remodelers said referrals from previous clients were the best way to generate job leads. The second best is referrals from architects, according to about 37% of remodelers. □

DO CONTRACTORS REMODEL HOMES THEY BUILT NEW?

A little less than half of builder respondents solicit remodeling work from clients whose homes they originally built.



IS THIS A CONSISTENT SOURCE OF BUSINESS?

More than a third of respondents say remodeling homes they built new is a consistent source of business.

About 62% of surveyed remodelers said they offer design and/or decorating services to their customers. This is a significant increase from last year's survey, when only 43.2% of remodelers reported offering these services. About 11% of surveyed consumers said their contractors also offered financing.

REMODELING CONSUMERS

About half the builders surveyed said remodeling has become more important to their business.

About two-thirds of the remodelers surveyed said they offer an insured warranty or guarantee to their customers. Warranties enhance the remodeler's reputation. They are also a marketing advantage, said approximately 41% of respondents.

Half of remodelers in the Mid-South region said they use warranties for legal protection and because their customers demand it.

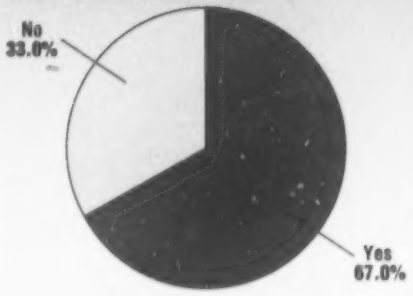
This year, a slightly higher percentage of remodelers reported using presentation books (38%), and sales centers or showrooms (12%) as marketing tools.

Has remodeling become more important to the home builder's business in the last five years? Nearly half of all respondents said yes. In the Middle Atlantic and Southern Plains regions, more than 50% of respondents said yes. About 20% of respondents in the Mountain states said remodeling has become *less* important.

Builder respondents said an average of 50% of their sales volume is attributable to some type of remodeling (residential remodeling accounts for about 42%). Those with an annual sales volume under $500,000 generally do more remodeling than larger companies. □

DO REMODELERS OFFER INSURED WARRANTIES?

About two-thirds of builder/remodelers surveyed say they offer an insured warranty on remodeling work.



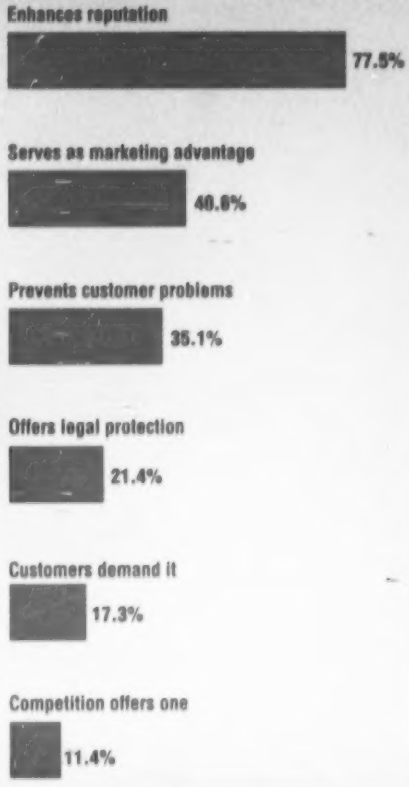
HOW MUCH OF CONTRACTOR'S BUSINESS IS REMODELING?

On average, the 422 builders who responded to this survey said that residential remodeling work accounts for 42.2% of their annual sales.

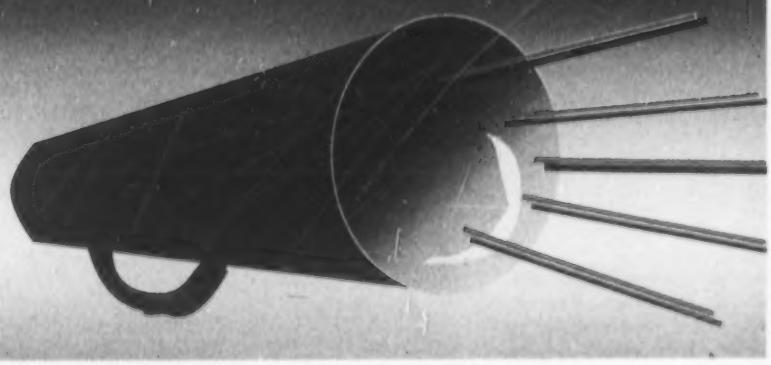
No remodeling activity	5.5%
1% to 24% of business	34.7%
25% to 49% of business	16.3%
50% to 74% of business	17.7%
75% to 99% of business	18.2%
100% of business	7.7%

WHY DO REMODELERS OFFER INSURED WARRANTIES?

Insured warranties enhance reputation, many remodelers say. Others use warranties as a marketing tool.



HOW DO REMODELERS MARKET THEMSELVES?



Presentation books are used by 38% of remodelers. About 12% use sales centers or showrooms.

REMODELING CONSUMERS

Consumers say they control most product selections, but remodelers disagree.

Most contractors find the use of brand-name products in remodeling jobs is important to their customers. And about 44% of consumers said they value the opinions of the remodeler in making product selections.

But the majority of consumer respondents said *they* were the ones who would ultimately decide what brands of products to use in their remodeling jobs. According to these consumers, product selections would be made by the remodeler only about 30% of the time.

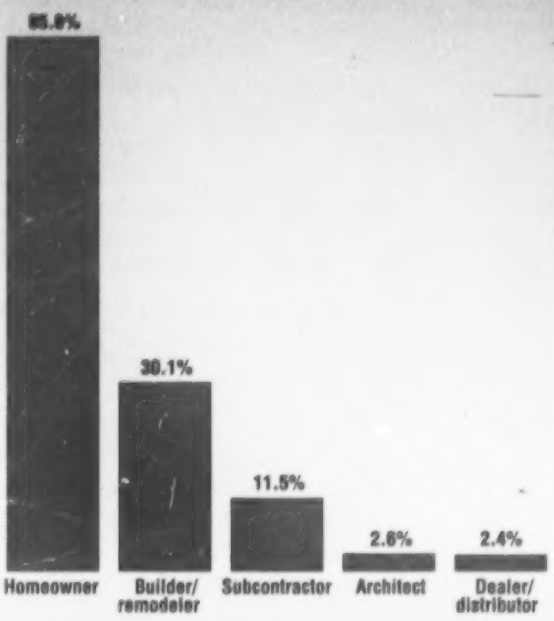
Builder respondents, however, said they handle product specifications about 65% of the time, on average, whereas the homeowner selects products only about 36% of the time. It could be that, overwhelmed by the remodeling process, consumers leave many decisions up to the contractor.

Remodelers with an annual sales volume over $5 million reported specifying almost 74% of the products used in an average remodeling job.

The remainder of product selections are made by the subcontractor (about 12%), the architect (about 3%) and the dealer/distributor (about 3%), according to all consumer respondents. Owners of homes valued at $300,000 or more said the architect specifies products 10% of the time. □

WHO WILL SPECIFY PRODUCTS, ACCORDING TO CONSUMERS?

Consumer respondents maintain that they are the ones who control most brand-name product selections.



WANT MORE INFORMATION?

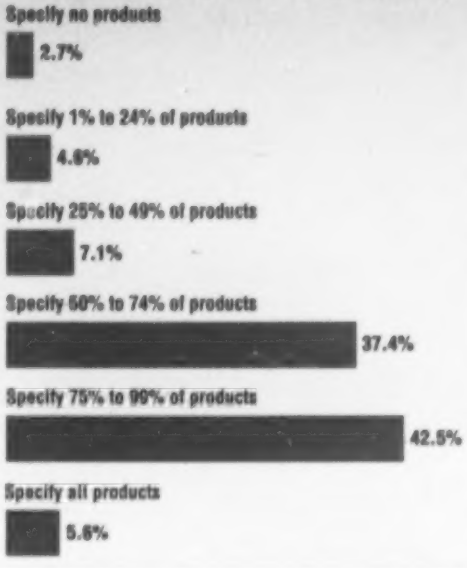
For a full report of what consumers are looking for in a remodeling job, and what remodelers say they offer, send for the complete consumer and remodeler surveys. Compiled by the independent research firm, National Family Opinion Inc., the consumer data is the result of a survey of 1376 households. The builder results emerge from a survey of 422 builders by The Bureau of Building Marketing Research, *PB&R*'s marketing research affiliate. The studies may be purchased together for $450 or separately for $320 each.

Send check or money order to:

Professional Builder & Remodeler,
P.O. Box 5080,
Des Plaines, Ill.
60017-5080.

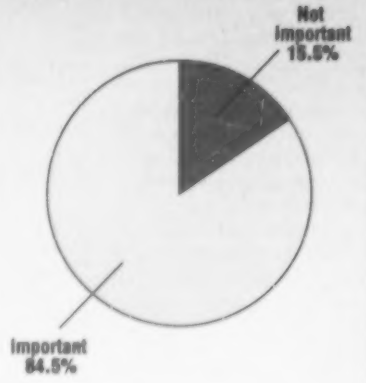
WHAT PERCENTAGE OF BRAND-NAME PRODUCTS DOES CONTRACTOR SPECIFY?

On average, builder/remodelers specify 64.5% of the brand-name products used in their remodeling jobs.



HOW REMODELERS PERCEIVE BRAND-NAME PRODUCTS

Most contractors think it's important to use brand-name products in their remodeling jobs.



REMODELING CONSUMERS

Insulating windows are the favorite energy-efficient product of remodelers nationwide.

On a nationwide basis, almost 91% of builder respondents feel they are conscious of energy efficiency in remodeling. But in some parts of the country, conserving energy is considered less important.

Half the builder respondents in the Mid-South states said they did not consider themselves energy-conscious (perhaps because of the moderate climate in that region).

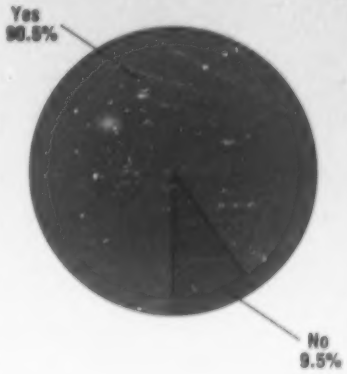
Low-E and/or insulating windows are specified by about 91% of energy-wise remodelers. Energy-saving water heaters and appliances rank second and third. Water-saving shower heads are popular with 83% of remodelers in the Pacific region, where conserving water resources is a top priority.

Builder respondents are highly diversified. Income from their building and remodeling activities is supplemented by such services as carpentry, landscaping and weatherization.

Carpentry and small job services are offered by a large proportion of builders in all regions. About 43% of builders in the Mid-South offer landscaping services. Weatherization services are offered by about 38% in the Northern Plains states. In the Great Lakes region, about 78% are reaping profits from small "handyman" jobs. □

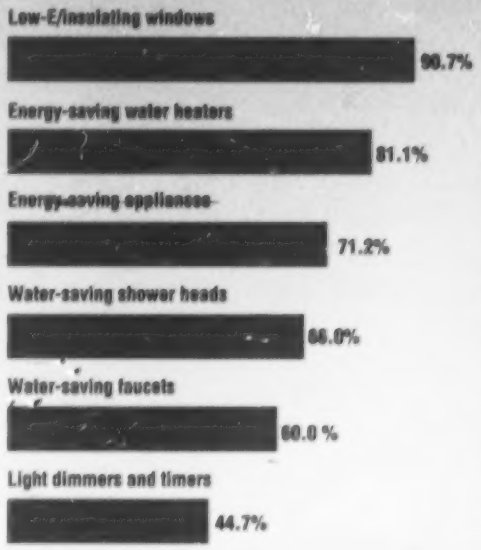
ARE REMODELERS ENERGY-CONSCIOUS?

Overall, energy efficiency is considered important by remodelers, but is less of an issue for those in the Mid-South region.



REMODELERS' FAVORITE ENERGY-EFFICIENT PRODUCTS

Nearly 91% of "energy-conscious" remodelers specify low-E and/or insulating windows.



WHAT RELATED AVENUES DO REMODELERS PURSUE?

The number of builder/remodelers who do small jobs and carpentry decreases as their sales volume increases, whereas the number who offer landscaping services increases with a rise in sales volume.

Service offered	Total Sample	Total Annual Sales Volume: Under $500,000	$500,000 to $1 mil.	$1 mil. to $5 mil.	Over $5 mil.
Landscaping service	20.4%	19.3%	21.7%	20.7%	40.0%
Carpentry service	89.9%	92.4%	86.7%	86.2%	73.3%
Small "handyman" jobs	76.9%	76.9%	66.7%	25.9%	53.3%
Weatherization service	30.2%	33.6%	23.3%	53.4%	26.7%
Other trade work	52.6%	47.9%	55.0%	67.2%	53.3%